

PANAMA

SECTOR:	Environment
PROJECT NAME:	Darién Sustainable Development Program (1160/OC-PN)
TOTAL COST:	\$88.0 million
FINANCING:	
IDB	\$70.4 million
LOCAL	\$17.6 million
DATE OF APPROVAL:	December 16, 1998
GENERAL DESCRIPTION:	<p>This program is intended to contribute to the sustainable social and economic development of the Province of Darién, and to the management and protection of the region's natural resources. The five program components are: (a) land use planning, land titling, management and protection of natural resources; (b) institutional strengthening implement the Land Use Management Plan effectively, with the involvement of local communities; (c) support for sustainable production; (d) rehabilitation of the transportation system; and (e) improving basic services.</p> <p>The land use component encompasses four projects: (a) regulatory reform of land use planning and the forestry and fishery sectors, and framework law for Darién that establishes a coherent approach to land use planning and incorporates the proposed Land Use Management Plan (POT); (b) implementation of the POT, to include management plans for three proposed zones (the National Park and the Serranía de Darién, the Valle del Chucunaque, and the Estuary of the Gulf of San Miguel) and three specific areas (the Hydrological Reserve and the Forest of the Serranía de Cañazas, the Hydrological Reserve and Forest of the Serranía de Filo del Tallo, and the Comarca Emberá-Wounaan in the Districts of Cemaco and Sambu); (c) land survey, demarcation and titling to stabilize occupancy and utilization of zones suitable for farming; and (d) natural resource inventories and research. The work for the last subcomponent includes: (a) forestry inventories on land to be made available for commercial concessions; (b) inventory of fishery resources in the Gulf of San Miguel; and (c) support for creating a scientific center to conduct and coordinate research. In addition, support will be provided to implement a Binational Plan (Colombia-Panama) for cooperative scientific studies and research on biodiversity, conservation, and other areas of common interest in the Darién biogeographical area. The strengthening component encompasses the following projects: (a) strengthening of national institutions; and (b) strengthening of provincial, <i>comarcal</i> and municipal governments and NGOs. The sustainable production activities component includes the following projects: (a) transfer of farming, forestry and fishery technology to promote diversification away from low-productivity farming activities; (b) management of critical areas, involving development of a plan to provide incentives or direct grants to small farmers to compensate them for the opportunity cost of conserving and protecting the forest; and (c) strategic activities, including feasibility</p>

studies, to help improve the productive structure through support for small community projects. The transportation infrastructure component provides for rehabilitating, improving or constructing small ports, airports, feeder roads and sections of existing highways. It includes staged implementation of the Intermodal Transport Plan. The basic services component funds preinvestment and investment in new works, and in expanding, upgrading and equipping existing facilities. Projects will be included in: (a) water, sanitation and electricity; and (b) health, education and urban planning.

CONSULTANTS:

Consultants will be procured through international calls for proposals for: (a) zone management plans; (b) specific area management plans; (c) transfer of farming technology; (d) updating of Darién maps; and (e) regulatory reforms. The regulatory reforms include (a) aerial photography; (b) survey; (c) title conveyance; (d) forest inventories; and (e) fishery diagnosis and research. Environmental audits will be performed by independent consultants. Consulting services will also be contracted to evaluate and monitor the research performed on the impact of highway and infrastructure works. An independent consultant will prepare interim evaluations of the program. An independent firm of public accountants will be hired to audit the financial statements for the program annually. The least-cost selection method will be used, under which a minimum acceptable level is set for the quality of technical proposals, and firms found to be above this minimum level are compared purely on the basis of cost. Thirteen international calls for proposals will be issued for consulting services.

GOODS AND EQUIPMENT:

Five rounds of international competitive bidding will be conducted for the procurement of equipment. In addition, three rounds of local competitive bidding will be held for procurement of less costly equipment, including computer equipment and vehicles.

CIVIL WORKS:

The rehabilitation of transport infrastructure will be procured through international competitive bidding, which will include: (a) rehabilitation of Puente Bayano-Tortí; (b) rehabilitation Tortí-Metetí; (c) river transport; (d) rural roads; and (e) rehabilitation Metetí-Canglón - Canglón-Yaviza. The upgrading of less costly works, such as the transmission line Metetí-Puerto Quimba and Metetí hospital construction, will be contracted out through three rounds of local competitive bidding.

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